

Amend Section 63-502 to read:

63-502 INCOME, EXCLUSIONS AND DEDUCTIONS (Continued)

63-502

.3 Income Deductions (Continued)

.37 Shared Living Expense Deductions (Continued)

.371 Treatment of a Food Stamp Household that Contains an Excluded Member(s)

When the food stamp household lives with and shares utility expenses with an excluded/ineligible household member(s), the CWD shall not prorate the SUA. Refer to Sections 63-502.362, .363 and .375 to determine the allowable deduction for actual expenses.

.374 Treatment of Separate Households (Continued)

~~(e) When the food stamp household contains excluded members, refer to Sections 63-502.362, .363 and .364 to determine the allowable deduction.~~

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~~(d)~~(c) UTILITY ALLOWANCE DECISION CHART (Continued)

(1)-(4) (Continued)

SHARED RESIDENCE (Refer to Section 63-502.36475 if HH has excluded members.

(5)-(8) (Continued)

HANDBOOK ENDS HERE

.3723 Food Stamp Households with Excluded Members

The CWD must identify which excluded members are contributors. Contributors are those household members who share the residence and the expense of that residence by paying or obligating money from their separate income or resources. If the excluded member(s) lives with and shares utility expenses with the food stamp household and the food stamp household elects the SUA, refer to Section 63.502.371.

(a) (Continued)

(b) Ineligible ~~Aliens~~ Noncitizens and/or SSN Disqualifications

If the food stamp household members who are ineligible ~~aliens~~ noncitizens or members excluded for SSN disqualification pay part or all of the deductible expenses, the expenses will be prorated among all members and only the eligible members' share is counted as the deduction. Refer to MS 63-502.36475 for instructions on how to prorate.

- (1) If any ineligible ~~alien~~ noncitizen contributes to the household expenses, all ineligible ~~aliens~~ noncitizens of that household are counted in the proration. If any SSN disqualified member contributes to the household expense, all SSN disqualified members of that household are counted in the proration.
- (2) To be considered a contributor the ineligible ~~alien~~ noncitizen or SSN disqualified member must actually be using his/her income or resources to contribute. If s/he is acting solely as an agent or payee for another household member, s/he would not be ~~prorated~~ included in the proration.

(A) (Continued)

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(3) EXAMPLE: Household composition:

Father - an ineligible ~~alien~~ noncitizen does not contribute to expenses

Mother - an eligible ~~alien~~ noncitizen receiving AFDC, contributes to expenses

Two children receiving AFDC (Continued)

HANDBOOK ENDS HERE

(c) SSI recipients and/or Excluded Students (Continued)

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.3734 (Continued)

(a)-(c) (Continued)

(d) If the Food Stamp household contains excluded members, see the Decision Chart below.

DEDUCTION DECISION CHART IN SHARED LIVING ARRANGEMENTS

<u>Within Residence</u>		<u>Within FSHH</u>		
	Separate HHs: Includes roomers, attendants, or others who live with HH but purchase and prepare separately (i.e. another family)	IPV/Work Sanction Within the FSHH	SSI Recipient/ Excluded Student Within the FSHH	Ineligible Alien <u>Noncitizen</u>/ SSN Disqualified Within the FSHH
HH Composition Test: Would the person(s) be an otherwise eligible HH member(s), per HH composition rules? (M.S. 63-402.1)	No.	Yes, as determined by HH composition rules. Items below apply.	Yes, as determined by HH composition rules.	Yes, as determined by HH composition rules. If yes, then items below apply.
Shelter (M.S. 63-502.35)	Allow actual amount paid by by FSHH as its deduction.	Count total of eligibles' and IPV/Work sanctioned <u>excluded</u> members' rent in FS budget.	Deduct contribution of excluded members from expense, and allow the FSHH the remainder as its deduction.	Prorate expense: Divide evenly among eligibles and these <u>excluded</u> members; count eligibles share.
	If contribution cannot be differentiated, prorate by the number of HHs contributing.		If contribution cannot be differentiated, prorate and allow only the portion attributed to eligible HH members.	

HANDBOOK CONTINUES

HANDBOOK CONTINUES

DEDUCTION DECISION CHART IN SHARED LIVING ARRANGEMENTS (Continued)

	<u>Within Residence</u>		<u>Within FSHH</u>	
	Separate HHs: Includes roomers, attendants, or others who live with HH but but purchase and prepare separately (i.e. another family)	IPV/Work Sanction Within the FSHH	SSI Recipient/ Excluded Student Within the FSHH	Ineligible Alien Noncitizen/ SSN Disqualified Within the FSHH
Utilities SUA or Actuals (M.S. 63-502.353)	If FSHH is eligible for and chooses <u>the</u> SUA, prorate: Divide the SUA evenly among number of HHs contributing. Allow FSHH's pro rata share. Allow actuals if FSHH chooses.	Count total of eligibles' and IPV/work sanctioned excluded members' SUA or actuals in FS budget. <u>If sharing utilities with FSHH, allow full SUA.</u>	Known contribution: Deduct from total; allow amount paid by FSHH as deduction. Unknown contribution: Prorate: Divide evenly among eligibles and excluded members contributing; allow eligible members' share. <u>If sharing utilities with FSHH, allow full SUA.</u>	Prorate: Divide evenly among eligibles and these excluded members; count eligibles share. <u>If sharing utilities with FSHH, allow full SUA.</u>
Resources (M.S. 63-501.1)	Not available to FSHH.	Count all.	Not available to FSHH.	Count all.
Income (M.S. 63-502.1)	Not available to FSHH (If person makes a cash contribution to HH, apply normal income standards.)	Count all.	Not available to FSHH. (If a person makes a cash contribution to HH, apply normal income standards.)	Prorate: Divide evenly among eligibles and these excluded members; count eligibles' share.

HANDBOOK ENDS HERE

.3745 To prorate within the food stamp household, the CWD shall:

(a) (Continued)

- (2) Household members excluded due to ~~alien~~ noncitizen status or is SSN disqualified: If one ineligible ~~alien~~ noncitizen contributes or has income, count all ineligible ~~aliens~~ noncitizens. If one SSN disqualified member contributes or has income, count all SSN disqualified members. (Continued)

(b) (Continued)

- (c) Multiply the pro rata share from (b) above by the number of food stamp eligible persons and IPV or workfare/work sanctioned persons from (a)(1) above. This is the pro rata share of expenses to allow the food stamp eligible members. If the excluded member(s) lives with and shares utility expenses with the food stamp household and the food stamp household elects the SUA, do not prorate the SUA refer to Section 63-502.371.

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.3756 EXAMPLES

NOTE: The SUA figure used in the examples below is the Federal Fiscal Year ~~1997~~ 2004 figure. This section will not be amended to reflect adjustments to the SUA, which can occur annually. CWDs will need to use the current SUA figure when calculating deductions.

- I. Mother- ineligible ~~alien~~ noncitizen, contributes towards rent and utilities
2 Children- AFDC

Total rent: \$300 eligible for and chooses SUA: = ~~\$151~~ 227

Step 1. Determine number of HHs sharing the residence

HH A: Ineligible ~~alien~~ noncitizen mother and two AFDC children

Step 2. Determine number of HHs contributing to the expense

HH A = 1

Step 3. Determine the amount of each HH's contribution

HH A: Rent \$300 SUA: ~~\$151~~ 227

Step 4. Determine amount to be used in FS budget

Rent: $300 \div 3 = 100 \times 2 = 200$ SUA: ~~$151 \div 3 = 50.33 \times 2 = 100.66$~~ 227
Full SUA allowed.

HANDBOOK CONTINUES

HANDBOOK CONTINUES

- II. Mother - ineligible ~~alien~~ noncitizen; doesn't contribute to expenses; has no income.
2 Children- AFDC

Total rent: \$300 eligible for and chooses SUA: ~~\$151~~ 227

Step 1. Determine number of HHs sharing the residence

HH A: Ineligible ~~alien~~ noncitizen mother, and two AFDC children

Step 2. Determine number of HHs contributing to the expense

HH A = 1

Step 3. Determine the amount of each HH's contribution

HH A: Rent \$300 SUA: ~~\$151~~ 227

Step 4. Determine amount to be used in FS budget

HH A: Rent $\$300 \div 2$ (AFDC children) = \$150
 $\$150 \times 2$ (AFDC children) = \$300
SUA $\$151 \div 2$ (AFDC children) = ~~\$75.50~~
 $\$75.50 \times 2$ (AFDC children) = ~~\$151~~ 227

Whether or not the ineligible noncitizen contributes, the FSHH is allowed the full SUA (i.e. no proration of the SUA if the FSHH is contributing toward utilities).

HANDBOOK CONTINUES

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III. Mother -	ineligible alien <u>noncitizen</u> ; contributes towards rent and utilities
2 Children -	AFDC
Unrelated adult -	shares expenses and contributes \$150 for rent and \$75 <u>113</u> for utilities; purchases and prepares food separately
Excluded student -	no contribution; purchases and prepares with mother and children
Total rent: \$400	eligible for and chooses to divide the SUA: \$151 <u>227</u> ÷ 2 = \$75.50 <u>113.50</u>

Step 1. Determine number of HHs sharing the residence

HH A: Ineligible ~~alien~~ noncitizen mother, 2 AFDC children, and excluded student

HH B: Unrelated adult

Step 2. Determine number of HHs contributing to the expense

HH A + HH B = 2

Step 3. Determine amount of each HHs' contribution

HH A: Rent \$400-\$150 = \$250 SUA ~~\$75.50~~ 113.50

HH B: Rent \$150 SUA ~~\$75.50~~ 113.50

Step 4. Determine amount to be used in FS budget

HH A: Rent \$250 ÷ 3 (mother + 2 AFDC children) =
\$83.33 x 2 (2 children) = \$166.67

NOTE: Excluded student doesn't contribute, therefore isn't included in the proration.

SUA ~~\$75.50~~ 113.50 ÷ 3 = ~~\$25.16~~ x 2 = ~~\$50.32~~ SUA is prorated between HH A and HH B. \$113.50 is allowed in the FS budget.

HANDBOOK CONTINUES

HANDBOOK CONTINUES

IV. Mother - IPV disqualified: contributes to rent and utilities
2 Children - AFDC
SSI recipient contributes, but amount of contribution is unknown;
purchases and prepares with mother and children

Total rent: \$400 eligible for and chooses SUA: ~~\$151~~ 227

Step 1. Determine number of HHs sharing the residence

HH A: IPV Disqualified mother, 2 AFDC children, and SSI recipient

Step 2. Determine number of HHs contributing to the expense

HH A = 1

Step 3. Determine amount of each HHs contribution

HH A: Rent \$400
SUA ~~\$151~~ 227

Step 4. Determine amount to be used in FS budget

HH A: Rent $\$400 \div 4$ (mother, two children and SSI recipient)
= $\$100 \times 3$ (2 AFDC children + mother) = \$300
SUA ~~$\$151 \div 4 = \$37.75 \times 3 = \$113.25$~~ Full SUA allowed.

HANDBOOK CONTINUES

HANDBOOK CONTINUES

- V. Father - contributes to utilities and shelter
3 Children - AFDC
Ineligible ~~alien~~
noncitizen adult - unemployed ineligible ~~alien~~ noncitizen who contributes \$150 per month for rent and utilities; purchases and prepares with father and children

Total Rent: \$400 eligible for and chooses SUA: ~~\$151~~ 227

Step 1. Determine number of HHs sharing the residence

HH A: Father and 3 children on AFDC; ineligible ~~alien~~ noncitizen

Step 2. Determine number of HHs contributing to the expense

HH A = 1

Step 3. Determine amount of each HH's contribution

HH A: Rent \$400 SUA ~~\$151~~ 227 - \$0 = ~~\$151~~ 227

Step 4. Determine amount to be used in FS budget

HH A: Rent $\$400 \div 5 = \80

$\$80 \times 4$ (father and 3 children) = \$320

NOTE: Known contribution of ineligible alien is not deducted. He/she is included in the proration and the FSHH is allowed all but his/her portion.

~~SUA $\$151 \div 5 = \$30.20 \times 4 = \$120.80$ Full SUA allowed.~~

~~NOTE: Known contribution of ineligible alien is not deducted. He/she is prorated, and the FSHH is allowed all but his portion.~~

HANDBOOK CONTINUES

HANDBOOK CONTINUES

VI. Mother- 2 Children SSI child - Ineligible alien <u>noncitizen</u> adult	contributed to rent and utilities receive AFDC sibling of AFDC children; contribution unknown no contribution; purchases and prepares food with mother and children
SSI grandmother -	contributes \$150 towards rent; purchases and prepares separately

Total rent: \$500 eligible for and choose SUA: ~~\$151~~ 227

Step 1. Determine number of HHs sharing the residence

HH A: Mother, 2 AFDC children, SSI child, and ineligible ~~alien~~
noncitizen adult

HH B: SSI grandmother

Step 2. Determine number of HHs contributing to the expense

HH A + HH B = 2

Step 3. Determine amount of each HH contribution

HH A: Rent \$500 - \$150 = \$350 SUA ~~\$151~~ 227

HH B: Rent \$150

Step 4. Determine amount to be used in FS budget

HH A: Rent $\$350 \div 4$ (mother, SSI child, and AFDC children) =
 $\$87.50 \times 3$ (mother and AFDC children)* = \$262.50
SUA ~~$\$151 \div 2 = 75.5$~~ $227 \div 2 = 113.5$ Full SUA Allowed.

*Note: The ineligible ~~alien~~ noncitizen was not ~~prorated~~ included in the proration of the rent in Step 4 as this individual does not pay anything towards these expenses (therefore is not a contributor).

Whether or not the ineligible noncitizen contributes, the FSHH is allowed the full SUA (i.e. no proration of the SUA if the FSHH is contributing toward utilities.

HANDBOOK ENDS HERE

NOTE: Authority cited: Sections 10553, 10554, 11209, 18900, 18901 and 18904, Welfare and Institutions Code. Reference: Sections 10554, 18901, and 18904, Welfare and Institutions Code; Public Law (P.L.) 99-603, Section 201(a), Section 245A(h)(1)(A)(iii), Immigration Reform and Control Act; 100-50, Sections 22(e)(4) and 14(27), enacted June 3, 1987; P.L. 100-77; P.L. 101-201; P.L. 101-508, Section 11111(b); P.L. 103-66, Section 5(c), (d) and (e) and Section 8(a); 7 Code of Federal Regulations (CFR) 271.2; 7 CFR 273.1(c)(6); 7 CFR 273.4(a) and (c)(2); 7 CFR 273.7(f); 7 CFR 273.9; 7 CFR 273.9(b)(1), (b)(1)(v), (c), (c)(1)(i)(E), and proposed amended (c)(1)(ii) as published in the Federal Register, Vol. 59, No. 167, on August 30, 1994; (c)(1)(ii)(G), (c)(8), (c)(11)(i) and (ii), (d), (d)(6), (d)(6)(iii)(F), and proposed (d)(7) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994, 7 CFR 273.10(d)(1)(i) and (e)(1)(i)(H); 7 CFR 273.11(b)(1); 7 CFR 273.11(c), (d) and (d)(1) and (e); 7 CFR 273.21(j)(1)(vii)(A); 7 United States Code (U.S.C.) 2014(c), (d), (e), (k)(1)(B), and (k)(2)(F); 7 U.S.C. 2015(e); 7 U.S.C. 2017(a); 20 U.S.C. 2466d.; 26 U.S.C. 32(j)(5); P.L. 104-193, Sections 807, 808, 809, 811, and 829 (Personal Responsibility and Work Opportunity Reconciliation Act of 1996); (Court Order re Final Partial Settlement Agreement in Jones v. Yeutter (C.D. Cal Feb. 1, 1990) [Dock. No. CV-89-0768].); United States Department of Agriculture (U.S.D.A.) Food and Consumer Services (FCS) Administrative Notice (AN) 88-40, Indexed Policy Memo 88-10, dated April 20, 1988; U.S.D.A., FNS ANs 91-24, 91-30, 94-39, 94-41, dated April 19, 1994; ~~and~~ the July 8, 1988 district court order in Hamilton v. Lyng; and U.S.D.A., FNS AN 02-23, dated February 6, 2002.